

**Testimony of  
Under Secretary Bill Hawks  
Marketing and Regulatory Programs  
U.S. Department of Agriculture  
before the  
United States Senate  
Committee on Energy and Natural Resources  
Subcommittee on Water and Power  
July 10, 2002**

Mr. Chairman, good morning and thank you for the invitation to appear before this Committee to address water management issues on the Missouri River. This is an important issue to agriculture. It is important that we work together to find a balanced, science-based solution that meets the needs of all interested groups.

This situation is complicated by the number of competing interests and purposes that the river serves among several states; however, I believe we can work to find resolution to this problem.

Let me begin by saying that the U.S. Department of Agriculture (USDA) believes in the importance of barge traffic as a means to transport agricultural supplies and commodities. Barge transportation is unrivaled as the least expensive, most environmentally friendly, and safest mode for moving bulk commodities to export. The water flow on the Missouri River contributes to maintaining adequate river levels on the Mississippi River for transport of grains and oilseeds from the Midwest to the Gulf of Mexico.

USDA recognizes the importance of maintaining an efficient transportation system. Our competitive edge in global markets depends on our ability to effectively move our products. This is true more than ever today, particularly as we strive to compete in markets where many producers benefit from government policies that assist their production, marketing, and distribution systems much more than our producers do in the United States. Indeed, many of our competitors are making significant investments in their own transportation infrastructure, public investments that will no doubt improve their ability to move product into markets that compete with the United States.

Transportation by water is low-cost, environmentally friendly, and highly effective at moving vast quantities of bulk commodities to ports where they are destined for export. The availability of barge traffic helps keep rail rates competitive by offering a low-cost alternative to shippers that use the Missouri. The majority of the U.S. grains for export, which are produced in the interior states of the Nation, are moved by rail and truck to the major arterial waterways that then feed into the Mississippi River. The impact of any change in river operations on U.S. grain exports and on the ability of barge traffic to move freely during harvest time will be carefully considered.

I will conclude by saying that the Department of Agriculture recognizes the advantages that the inland waterway navigation system offers U.S. agriculture, and the related benefits to rural economies throughout the Nation. USDA also acknowledges that competing interests have different and valid perspectives. However, I can assure you that the Administration is considering the impacts of the proposed changes in Missouri River

operations on the agricultural sector. Within the Executive Branch, USDA will continue to be an advocate for our Nation's agricultural commerce, and the producers, families, and rural communities that both produce and depend on agricultural commerce for their quality of life and their livelihood.

Thank you Mr. Chairman. That concludes my statement. I will be glad to respond to any questions you may have.